

EXHIBIT J

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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RETIREMENT BOARD OF THE POLICEMEN'S
ANNUITY AND BENEFIT FUND OF THE CITY
OF CHICAGO, WESTMORELAND COUNTY
EMPLOYEE RETIREMENT SYSTEM, CITY OF
GRAND RAPIDS GENERAL RETIREMENT
SYSTEM, and CITY OF GRAND RAPIDS
POLICE AND FIRE RETIREMENT SYSTEM (on
Behalf of Themselves and Similarly
Situated Certificate Holders),

Plaintiffs,

Vs.

THE BANK OF NEW YORK MELLON, (as
Trustee Under Various Pooling and
Servicing Agreements),

Defendant.

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VIDEOTAPED DEPOSITION OF PEGGY KORZEN

Grand Rapids, Michigan

Thursday, July 11, 2013

9:30 a.m.

Reported by:
QUENTINA R. SNOWDEN, CSR
JOB NO. 30057

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MR. SCHWARTZ: Objection. Calls for legal conclusion, vague. You can answer.

THE WITNESS: Yeah, I mean it's set forth in the Complaint, but, our investment suffered losses because of the behavior of the bank.

BY MS. LIN:

Q. Did you -- when you say you've suffered losses, are you referring to all of the investments, even those that you're still holding?

A. I would have to look at the individual securities. I am not sure of each one individually how it performed.

Q. Okay. So are you -- but are you contending even if you haven't sold an investment, if the value of the security has declined that you suffered a loss?

MR. SCHWARTZ: Objection. The allegation is in the Complaint.

THE WITNESS: Yeah, and I'm not sure.

BY MS. LIN:

Q. He's allowed to tell me that the allegations are in the Complaint, but I'm

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2 allowed to ask you. So you're not sure if
3 you're claiming that you've suffered losses
4 even if you're holding onto those securities
5 still and haven't sold them?

6 A. Without further analysis, I wouldn't
7 be able to make a statement one way or the
8 other yet.

9 MS. LIN: I'm deciding what to show
10 you first. Okay. I'm going to show you, let's
11 see -- it's the raw responses. Let me just --
12 before you hand it, I want to make sure it's
13 the raw one.

14 MS. THROO: This is the later one.

15 MS. LIN: Yeah, I want the later one.
16 Thanks. Okay.

17 (Deposition Exhibit 20 was marked
18 for identification.)

19 MS. LIN: There should be one that's
20 been verified.

21 MR. SCHWARTZ: It's dated September
22 7th.

23 MS. LIN: Sorry. I thought it was --
24 I know it's here somewhere and I'm just --

25 MS. THROO: I know which one you're

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2 BY MS. LIN:

3 Q. Okay. Do you know what excess credit
4 losses is referring to?

5 A. I don't.

6 Q. Okay. Why don't you flip over to
7 tables 3 and 4.

8 A. Uh-huh.

9 Q. Where it's the Grand Rapids Systems
10 funds. Are these the trusts -- are these the
11 securitization trusts in which Grand Rapids has
12 at some point invested that are at issue in
13 this case?

14 A. Yes.

15 Q. Okay. All right. Sitting here today,
16 do you know whether Grand Rapids has sold any
17 of its investments in any of these trusts?

18 A. I believe we have some of them.

19 Q. But you don't know the specific
20 trusts?

21 A. I don't know which ones.

22 Q. Okay. What does market value loss
23 represent in these tables?

24 A. That would be the difference in market
25 value between the purchase price and current

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Q. All right. Let's just keep it simple.
Have you sold all of these securitizations?

A. All of them? No, I do not believe we have.

Q. What does "principal loss" mean?

MR. SCHWARTZ: Again, objection.
Document speaks for itself. If you don't know,
you don't have to answer.

THE WITNESS: Yeah, I'm unsure of what
that would represent.

BY MS. LIN:

Q. Okay. But you're claiming a principal
loss; is that right?

A. On those two securities, yes.

Q. But you don't know what it is.

Okay. So this, as Max pointed out,
the date of these Interrogatories is September
7th, 2012. Have -- have the damages that
you're claiming in this case changed since you
filed your Second Amended Complaint?

A. I've not calculated that recently,
so --

Q. Have these sort of -- have the
components of damages that you're claiming

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2 changed; like are you still claiming market
3 value loss and principal loss as set out in
4 this table?

5 A. I don't -- I don't know what the
6 losses are specifically right now.

7 Q. Okay. Okay. Let's see. I'm going to
8 direct your attention to the Complaint and
9 forgive me, I have to look and see what number.

10 MS. THROO: 19.

11 MS. CLARK-WEINTRAUB: 19.

12 BY MS. LIN:

13 Q. It's Exhibit 19. Okay. I'd like to
14 turn your attention to paragraph 47 of the
15 Complaint, which is on page 21.

16 A. Okay.

17 Q. Okay. The first sentence of this
18 paragraph refers to a May 15th, 2008, New York
19 Times article about a securities fraud
20 complaint brought against Countrywide by its
21 shareholders.

22 Are you familiar with that article?

23 A. Nope.

24 Q. Okay. Do you expect that you would
25 have reviewed it on or about May 15th, 2008?

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representative in this lawsuit?

A. No.

Q. Okay. Do you expect that Grand Rapids General Retirement Systems will receive anything for its role as class representative in this lawsuit?

A. No.

Q. Do you expect that Grand Rapids Police and Fire will -- excuse me -- receive anything for serving as class representative in this lawsuit?

A. No.

Q. Okay. When did you first come to believe that BNY Mellon breached its contractual and fiduciary duties to its certificate holders in the mortgage securitization trust at issue in this case?

MR. SCHWARTZ: Objection. You can answer.

THE WITNESS: In the Complaint, but it was roughly two years ago.

BY MS. LIN:

Q. So July of 2011?

MR. SCHWARTZ: Objection. You can

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answer.

THE WITNESS: Whatever is in the
Complaint.

BY MS. LIN:

Q. Well, I don't know what's in the
Complaint sitting here, but does that sound
approximately correct?

A. June, July, something like that.

Q. Summer 2011?

A. (Shook head in an affirmative manner.)

Q. Okay. And how did you come to believe
that?

MR. SCHWARTZ: Objection -- pardon me,
don't -- you can answer. Don't reveal any
privileged communications, and go on.

THE WITNESS: Our attorneys advised us
that there might be an issue.

BY MS. LIN:

Q. Okay. Which attorneys advised you
that?

A. Scott and Scott.

Q. And were -- had you retained them as
your attorneys at that time?

A. They perform securities monitoring

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services for us.

Q. Okay. What securities? I'm not looking for privileged information, but what securities monitoring services did Scott and Scott provide for the Retirement Systems?

A. They receive data feeds from our custodial bank and when there's a potential case, they review our securities, our holdings to see if we were affected by whatever it is that's involved in the case.

Q. Okay. So that work is not limited to the trusts that are at issue in this case; is that right?

A. That's correct.

Q. Okay. And for how long has Scott and Scott performed that service for you?

A. Oh, I just looked yesterday and I -- I think it was -- was it 2007, '8. I don't recall. But it's been --

Q. Okay.

A. -- several years now.

Q. Okay. Does -- do the Retirement Systems pay Scott and Scott a fee for that service?

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A. No.

Q. Is that service governed by a contract of any kind?

A. We do have a securities monitoring agreement. It's in place with them.

Q. Okay.

A. One for each system.

Q. Who were the attorneys at Scott and Scott who performed this role?

A. Could be any number of attorneys, whoever they assigned. We don't have one specific attorney that -- that does the work. It's whoever they deem appropriate.

Q. Who is the attorney who signed the contract for this work?

A. I would have to review it, but I -- I think David Goldberg signed it maybe. I wouldn't know for sure without looking at the agreement.

Q. Okay. Do -- do either of the attorneys sitting in this room perform securities monitoring services for you? When I say -- let me rephrase that.

Do either of the Scott and Scott

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2 attorneys sitting in this room provide
3 securities monitoring services for you?

4 A. To be honest with you, I don't know
5 who does the actual nuts and bolts of it at the
6 firm. I get a report every quarter.

7 Q. And who prepares that report?

8 A. I think it's been different people,
9 but I think David Goldberg. Is that his last
10 name?

11 MR. SCHWARTZ: It's Goldberg or
12 Goldberger.

13 THE WITNESS: Sorry. It's probably
14 the name I see most often.

15 MR. SCHWARTZ: That's the name. I'm
16 not representing that it is or isn't the
17 person. I actually don't know.

18 THE WITNESS: I have to look at the
19 reports, but that name does ring a bell to me.

20 BY MS. LIN:

21 Q. Is that the person who e-mails the
22 reports to you?

23 A. Some of them I think came from him and
24 some of them from probably someone who works
25 for him. So it came from various sources.

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Q. Okay.

A. The firm.

Q. Okay. Let's see. Do you know what the proposed class period is for this class action?

MR. SCHWARTZ: Objection. Allegations are in the Complaint.

MS. LIN: There's no allegation about the class period in the Complaint so I would like the witness's response.

THE WITNESS: I would have to go back and look through the documents more thoroughly to know, but I believe it was in the mid-2000s. I don't know exactly.

BY MS. LIN:

Q. Going back to the mid-2000s?

A. Yeah.

Q. Does the -- does the class period have an end date?

MR. SCHWARTZ: Same objection. You can answer.

THE WITNESS: Yeah, I'm not sure.

BY MS. LIN:

Q. Okay. Prior to filing your Complaint,